The Merchant Shipping (Amendment) Bill, 2003.

The Marriage Laws (Amendment) Bill, 2003.

The Railways (Amendment) Bill, 2003.

Consideration and passing of the following Bills after they have been passed by Lok Sabha:

The Election and other related Laws (Amendment) Bill, 2003.

The Repatriation of Prisoners Bill, 2002.

PROF. SAIF-UD-DIN SOZ (Jammu and Kashmir): Sir, I am on a point of order. You have to listen to me ...(*Interruptions*)... The Minister had made a statement there. I want to seek a clarification. ...(Interruptions)... आप बात कर लीजिए और मुझे बता दीजिए। आपने खुद फरमाया था कि ...(व्यवधान)...

श्री सभापति: मैं खुद कह रहा हूं आप से ...(**व्यवधान**)...

प्रो॰ सैफुद्दीन सोज: कि दूसरे दिन क्लेरिफिकेशन ले लेंगे ...(**व्यवधान**)...

श्री सभापति: क्वेश्चन आवर में कोई प्वाइन्ट आफ आर्डर रेज नहीं होता। क्वेश्चन आवर खत्म हुआ तो दूसरा सब्जेक्ट नहीं आए तो उस संबंध के अलावा आप क्वेश्चन आवर के मामले में प्वाइन्ट आफ आर्डर रेज नहीं कर सकते। ...(**व्यवधान**)... आप बाद में बात कर लीजिए, मैं बताऊंगा। ...(**व्यवधान**)... आज आ जाइए और चाय पिलाऊंगा। अब आप बैठ जाइए।

GOVERNMENT MOTION

For consideration of progress of implementation of Part IX and Part IX-A of Constitution (contd.)

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS AND THE MINISTER OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (MAJ. GEN. (RETD.) B.C. KHANDURI): Mr. Chairman, Sir, I rise to intervene briefly in the discussion on the review of ten years of implementation of Part IX-A of the Constitution relating to the urban local bodies. My Ministry, that is, the Urban Development and Poverty Alleviation Ministry, of which I am holding the additional charge, circulated a background note giving the present status of the implementation of Part IX-A of the Constitution as regards urban local bodies, that is, the Municipalities. We have circulated a background note where we have given some of the data,

which are available from the States, with regard to the implementation of the various directions given in the Seventy-fourth Amendments which was implemented from 1st of June, 1993.

Sir, I am thankful to the speakers who raised various issues yesterday with regard to the implementation of the provisions of Part IX-A of the Constitution. Most of the speakers dwelt basically on the Panchayats. but all those problems, which were highlighted, relating to the Panchayats like non-implementation of provisions of Part-IX A devolution of power, financial viability of the local bodies, are also applicable to the urban local bodies, that is, the Municipalities. Therefore, I am thankful to all the Members who have highlighted those areas and I am quite sure that we will be benefited by them. The main provisions of the Act, as regards the urban local bodies, are also given on pages 3 to 9 of the background note which we have circulated. Basically, we have highlighted 12 items which needed urgent implementation. Yesterday, a number of speakers highlighted various shortcomings about implementation with regard to the Panchayats. As I said, these are also applicable. Shri Venkaiah Naidu gave a very detailed and very brilliant analysis of various problems and also suggested remedy for overcoming these maladies. A number of other Members also highlighted various issues. I am quite sure, with that analysis and with those suggestions, we will be able to move forward. I personally am in entire agreement with what has been said both about the non-devolution of real powers to the local bodies as also the financial non-viability of all these institutions which causes problems so far as the implementation is concerned. I, therefore, feel that we need do a major surgery for the implementation of provisions. Minor tinkering and minor remedial measures will not help.

So far as the Ministry of Urban Development and Poverty Alleviation is concerned, we had tried to interact with the State Government. We have had a number of meetings. We had made a number of suggestions with regard to implementation. Unfortunately, both the real devolution of power and financial delegation have not found favour. In the Background Paper, we have indicated the response of various States in regard to various provisions. We have not been very successful. However, we continue to put in our efforts. The data pertaining to our success or failure has been given in Annexures 1 to 5 to the Background Paper.

(THE DEPUTY CHAIRMAN in the Chair)

During this period, the Tenth Finance Commission and the Eleventh Finance Commission have also made certain provisions to help the local bodies. The Tenth Finance Commission had given Rs. 1,000 corres and the Eleventh Finance Commission has given Rs. 2,000 crores. I agree that this sum is inadequate. But it is a beginning. Ultimately, this also has to find its way right down to the local bodies, which normally does not happen in all cases for some reason or the other. At the Central level, we have been trying to improve the functioning of the local bodies by making various suggestions. The Ministry of Urban Development and Poverty Alleviation has nine such schemes which I would put across to the States. Some progress has already been made. These schemes are: (1) Integrated Development of Small and Medium Towns, (IDSMT) (2) Infrastructure development in Mega Cities; (3) Accelerated Urban Water Supply Programme, (AUWSP); (4) Low Cost Sanitation Scheme for Liberation of Scavengers; (5) Swarnajayanti Shahari Rojgaar Yojana, (SJSRY); (6) Shelter and Sanitation Facilities for the Footpath Dwellers in Urban Areas; (7) National Network of Building Centres; (8) Additional Central Assistance to States for Slum Development—National slum Development Programme and (9) The Balmiki Ambedkar Awas Yojana (VAMBAY).

In conclusion, I would only like to say that from the Central Government side, we will continue to make efforts to see that the local and urban bodies function efficiently. There are a number of problems and obstacles which had been adequately highlighted yesterday. I think it is time which all of us should try and make efforts. Although it is a State subject and the ultimate delegation has to be done by the State, but it is the responsibility of all of us here to do whatever possible we can do to see that this system functions efficiently. I hope after today's debate in both the Houses, the State Govenrments would be encouraged to do further real devolution of power as well as financial delegation so that the system functions efficiently.

Madam, I thank you for having given me this opportunity to highlight the viewpoint of the Ministry of Urban Development and Poverty Alleviation.

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI ANNASAHEB M.K.PATIL): Madam, this agust House had witnessed a lively debate on the Motion pertaining to the implementation of the Seventy-third and Seventy-fourth amendments. A number of eminent Members, particularly those who had been in villages, have expressed their views and gave many good suggestions in order to have a good system of functioning of the PRIs.

Shri Pranab Mukherjee initiated the debate, and Shri Venkaiah Naidu, elaborated in detail the subjects including all the activities and points pertaining to PRIs. Madam, it is no doubt an idea initiated by Mahatma Gandhi, then carried out by Pandit Deendayal Upadhyaya, Chowdhuryji and even by Shri Rajiv Gandhi. But, whatever has been experienced by the hon. Members with regard to the functioning of these PRIs in the past ten years have been mentioned by them in their speeches.

Broadly, the major aspects which were dealt with by most of the Members include transfer of all 29 subjects to PRIs with funds, functions and functionaries. This has to be a very vital and an important aspect of the Panchayati Raj system. Madam, you will note that some of the States have already taken steps in this direction. I would, particularly, name the State of Karnataka; whether it is only on paper or it is an actual fact; I do not know. It has been brought to our notice that they have already implemented all the 29 subjects with funds, functions and functionaries. While a few States are midway in this, many of the states have taken some steps starting from one or two subjects to almost all the subjects. Many States have taken about 11 subjects. And, the Committee appointed by the hon. Prime Minister called the Empowered Sub-Committee, to deal with all the aspects of the Panchayati Raj Institution system has taken about 11 subjects which can be made common to all the States. One meeting was already held and there were very fruitful discussions in that meeting, and we expect that the next meeting will be held on 2nd of August this year.

Regarding funds, functions and functionaries, some Members have stated that unless funds are with the PRIs, nothing can be done. It is a fact. In some places, we find that powers are with them, but there is no fund, and hence they are not able to do anything. Therefore, we agree with this view of the hon. Members. The second point was evolution of

powers independently without interference of the States. Many Members have suggested that there is a lot of encroachment by the States on the powers of the Panchayati Raj institutions. Some States are not allowing the elected representatives, Zila Presidents as Chairmen of the District Planning Committees, and making some Ministers or even some other men as chairmen of those Committees. These are also to be noted. Madam, I can say that the Central Government is very particular that all the elected representatives should be the Chairmen of the District Planning Committees.

Similarly, some of the Members have expressed their desire that all the establishments, particularly for the PRIs, such as the District Planning Committee, the State Election Commission, the State Finance Commission are to be formed by all the States,'irrespective of any delay in this regard. Madam, I have a chart with me which shows that except Jharkhand and Pondicherry where Panchayat Raj elections are yet to be held, all other States have already formed their Election Commissions.

As far as devolution of powers is concerned, I would like to state here that many of the States have done this. I have already informed the House that Karnataka is the one State where most of the powers have been transferred to the Panchayati Raj Institutions. But, there are some States about which I would like to mention here. Orissa has given 25 functions, but funds for only five subjects. Madhya Pradesh has given 23 functions, but funds only for ten subjects and functionaries for nine subjects. This is the latest position which I am mentioning here.

Similarly, in regard to the State Finance Commission, some of the Members have suggested that the recommendations made by the PRIs should be binding on the State Governments. I think, most of the States have already implemented it partially, but it has to be mandatory, as suggested by the Members. The Government will, certainly, consider that.

Similarly, proper representation of the Scheduled Castes, Scheduled Tribes and women is an essential part of PRIs to represent in the local bodies. I think, most of the States have already conducted elections according to our suggestions. As far as this aspect is concerned, States are abiding by the decision to give representation to the Scheduled Castes, Scheduled Tribes and women.

Madam, some Members have given suggestions pertaining to three points. They have suggested that the suggestion given by the 37th Standing Committee, suggestion given by the Task-Force and the suggestion given by the Empowered Sub-Committee are to be incorporated while bringing in the PRI amendment. This has already been taken into consideration. I think, all these points will find a place there. Some of the members suggested that funds should go directly to the PRIs and not to the States.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): If the Centre starts giving Panchayats the funds directly, it would affect the autonomy of the States. The States should be allowed to decide on that.

SHRI ANNASAHEB M.K. PATIL: Some of the Members have already suggested that Funds from the Centre-particularly those for the projects like Swajaldhara, Hariyali, SGRY, etc.-to the tune of more then Rs. 10,000 crores, is going directly to the DRDA, that is, Zilla Parishads and then to the PRIs. Therefore, the Government of India is acting as per suggestions by the Panchayat-raj Amendment Act Madam, regarding other various aspects, ...*(Interruptions)*...

SHRI NILOTPAL BASU (West Bengal): Mr. Minister, if you yield for a moment, I would like to say someting. You are talking about sending funds directly. But, earlier, there was a discussion and there was an agreement in the National Development Council meeting-the Planning Commission also noted it-that the Centrally sponsored schemes, particularly those belonging to the State List would be shifted to the States along with funds. What about that? I think, some Members also raised that point during the debate, because this also is a part of the process of decentralization.

You have mentioned about some schemes where you are directly sending money to the PRI bodies. But, at the same time, with regard to the Centrally sponsored schemes belonging to the State List in the Constitution, a decision was taken. What is the position of that?

SHRI ANNASAHEB M.K. PATIL: It is not for all the schemes sponsored by the Centre. There are so many other schemes which are implemented.

SHRI NILOTPAL BASU: What I am saying is, there was an agreement. The Planning Commission has agreed that the Centrally sponsored schemes belonging to the State List would, henceforth, be transferred to the States, because the difficulty is...(*Interruptions*)

SHRI ANNASAHEB M.K. PATIL: Madam, this is the difficulty in replying (*Interruptions*)

SHRI NILOTPAL BASU: Madam, he is discussing one aspect of decentralization. But the other vital question-what happens to those Centrally sponsored schemes? He is not responding.

MAJ. GEN (RETD.) B.C. KHANDURI: Madam, the subject here is not decentralization, but it is about the Panchayati-raj institutions. (*Interruptions*)

SHRI NILOTPAL BASU: But transfer of such schemes and funds to the States will strengthen the Panchayat bodies, because the lead time for implementing the projects would come down. (*interruptions*)

THE DEPUTY CHAIRMAN: Let him finish the reply; otherwise, we will have a second debate. Please confine yourself to the schemes which come under the Panchayati-raj, how the money is sent to the State Governments or to the Institutions directly-only this portion; because, there are so many other things. (Interruptions)...

SHRI NILOTPAL BASU: I am also taking of the schemes which are implemented by the Panchayat bodies. They are implemented by the Panchayat bodies.

THE DEPUTY CHAIRMAN: This is what he will speak on.

SHRI ANNASAHEB M.K. PATIL: Madam, allocation of funds to the Centrally sponsored schemes has been discussed at length in two meetings-particularly in the meeting of All India Zilla Parishad Adhyakshas, on 5-6 April, 2002; and the same was discussed during the Empowered Sub-Committee meeting of the Chief Ministers of some eight States and our Cabinet Ministers. Similarly, it was also discussed during a meeting of the Ministers from all the States, which was held on the financial arrangements to be made under the PRI system. Therefore, these are the suggestions made by all the State representatives as well as the Adhyakshas. Since they have made some sort of observation, we

also have made a declaration in consultation with other parties also. As I have already said earlier that the Adhyakshas' meeting was attended by respected Soniaji also.

There was a declaration, particularly in a concise form of 15 points, wherein all these sorts of powers to PRIs and even what should be there and what should not be there has been discussed in detail. The Centre is not enforcing on some States or some powers to various institutions. Therefore, I think, that has already been discussed in various forums. I think that can satisfy the Members, Madam, I have highlighted almost all the points. The point regarding review of the thing and encouragement to Panchayati Raj institutions, I would submit that the Government of India has already made a scheme to award good working PRIs. Accordingly, this has been framed and circulated among all the States. Six District Panchayats will be awarded Rs. 30 lakh each. It is for giving them encouragement. Twelve Intermediate Panchayats would be awarded Rs. 20 lakh each and 50 Gram Panchayats in the country would be awarded Rs. 10 lakh each. This is a sort of encouragement so that they can give good performance and further improve their working. Madam, I have made all the points clear. Some of the hon. members, particularly my friend from Andhra Pradesh, raised a point which actually does not deal with the PRIs. The hoh. Member was mentioning the PMGSY and Rs. 1192 crores or something like that. That is a different aspect. Therefore, I do not want to go into the details of it. Some other hon. Members have expressed their feelings and I would say that whatever suggestions have been made by them are very relevant and I thank them for their suggestions. We are in the process of amending the PRI Act with reference to 73rd and 74th Amendments. The suggestions given by all the hon. Members would be certainly taken into account for strengthening these institutions. Thank you.

THE DEPUTY CHAIRMAN: Now we have half-an-hour. I have a lot of Special Mentions. I take whatever of them come now and take the rest in the evening after the Private Member's business. I will call the names.

SHRI M.V. RAJASEKHARAN: Madam, can I seek a clarification?

THE DEPUTY CHAIRMAN: It was not a suo motu statement. So there are no clarifications. (व्यवधान) आपने भाग लिया था तब चर्चा में?